

**ATHLETIC DEPARTMENT
UNIVERSITY OF LOUISIANA AT LAFAYETTE
UNIVERSITY OF LOUISIANA SYSTEM
STATE OF LOUISIANA**
Lafayette, Louisiana

Financial Statement and
Independent Auditor's Report
For the Year Ended June 30, 2003
With Supplemental Information Schedule

March 10, 2004



DIRECTOR OF FINANCIAL AND COMPLIANCE AUDIT

Albert J. Robinson, Jr., CPA

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March 10, 2004

**ATHLETIC DEPARTMENT
UNIVERSITY OF LOUISIANA AT LAFAYETTE
UNIVERSITY OF LOUISIANA SYSTEM
STATE OF LOUISIANA**

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February 17, 2004

Independent Auditor's Report on
Applying Agreed-Upon Procedures

DR. RAY P. AUTHEMENT, PRESIDENT
UNIVERSITY OF LOUISIANA AT LAFAYETTE
UNIVERSITY OF LOUISIANA SYSTEM
STATE OF LOUISIANA
Lafayette, Louisiana

We have audited the basic financial statements of the University of Louisiana System, as of and for the year ended June 30, 2003, and have issued our report thereon dated December 10, 2003. The University of Louisiana at Lafayette is a part of the University of Louisiana System. As requested by the university, we have also performed the procedures, as enumerated below, which were agreed to by management of the university. These procedures were applied to the accounting records and internal controls of the University of Louisiana at Lafayette Athletic Department and to the related outside organizations created for or in behalf of the university's intercollegiate athletics program for the year ended June 30, 2003, solely to assist the university in complying with the National Collegiate Athletic Association (NCAA) Bylaw 6.2.3.1. This engagement to apply agreed-upon procedures was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of management of the University of Louisiana at Lafayette. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and associated findings are as follows:

STATEMENT OF REVENUES AND EXPENDITURES

1. We obtained written representation from management as to the fair presentation of the Statement of Revenues and Expenditures of the intercollegiate athletics program for the year ended June 30, 2003, as shown on Statement A. We also verified the mathematical accuracy of the amounts on the statement and agreed the amounts to the university's general ledger.

We found no exceptions as a result of these procedures.

LEGISLATIVE AUDITOR

DR. RAY P. AUTHEMENT, PRESIDENT
UNIVERSITY OF LOUISIANA AT LAFAYETTE
UNIVERSITY OF LOUISIANA SYSTEM
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2. We compared the statements of revenues and expenditures of the intercollegiate athletics program for June 30, 2003, and June 30, 2002, to identify variances of 20% or greater in individual revenue and expenditure accounts (line items) that are 5% or more of the total.

As a result of our procedure, we identified variances of 20% or greater in line items that are 5% or more of the total in the following revenue accounts for which the university provided satisfactory responses:

Gate receipts
Guarantees
Outside funds

3. We compared the budgeted revenues and expenditures to actual revenues and expenditures for the year ended June 30, 2003, to identify any variances of 20% or greater in individual revenue and expenditure accounts (line items) that are 5% or more of the total.

As a result of our procedure, we identified variances between budget and actual amounts that are 20% or greater in line items that are 5% or more of the total in the following accounts for which the university provided satisfactory responses:

<u>Revenues</u>	<u>Expenditures</u>
Gate receipts	Travel
	Operating services
	Supplies

4. We obtained from university management a list of contributions received by the athletic department to identify any individual contributions that constituted more than 10% of the total contributions.

No individual contributions were received by the athletic department that exceeded 10% (\$91,288) of total contributions.

INTERNAL CONTROL - POLICIES AND PROCEDURES RELATING TO INTERCOLLEGIATE ATHLETICS - AGREED-UPON PROCEDURES

5. We made inquiries of management and obtained the university's organization chart, employee job descriptions, and written athletic department policies and procedures to identify aspects of internal control unique to the university's

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intercollegiate athletic department and to detect deficiencies in the components of those controls.

We detected no deficiencies in the components of the internal control unique to the university's intercollegiate athletic department.

6. We performed tests of controls unique to the university's intercollegiate athletic department to determine adherence to established policies and procedures related to revenues and expenditures:

- a. We selected five cash receipts and followed them through the university's cash control system to determine adherence to established policies and procedures.

We found no exceptions as a result of this procedure.

- b. We selected ten high dollar and ten random cash disbursement transactions and followed them through the university's accounting system to determine adherence to established policies and procedures.

We found no exceptions as a result of this procedure.

- c. We conducted inquiries of the athletic department personnel to determine their compliance with policies and procedures relating to the control and safeguarding of unsold tickets.

We found no exceptions as a result of this procedure.

- d. We compared the amount of state General Fund appropriation transferred to the Auxiliary Fund (Athletics) to determine compliance with the amount allowed by the Board of Regents.

We found no exceptions as a result of this procedure.

7. We inquired of management about the involvement of the university's internal auditor in the intercollegiate athletics program and requested any working paper documentation and reports issued by the internal auditor to support the auditor's involvement.

During fiscal year 2003, the internal auditor issued four reports on the intercollegiate athletic programs relating to outstanding travel advances, misuse of university letterhead and data base, student athlete campus employment, and student athlete complimentary tickets. The reports made recommendations for

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improving controls that management has addressed. Two of the reports, student athlete campus employment and complimentary tickets, resulted in NCAA violations. In each instance, the university self reported to the NCAA. The nature of these infractions had no effect on the audit procedures performed.

8. We obtained the university's procedures for gathering information on the nature and extent of booster group activity for or in behalf of the university's intercollegiate athletics program to identify deficiencies in the design of those procedures.

We found no deficiencies in the design of the university's procedures for gathering information on the nature and extent of booster group activity for or in behalf of the university's intercollegiate athletics program.

EXPENDITURES OF OUTSIDE ORGANIZATIONS MADE FOR OR IN BEHALF OF THE UNIVERSITY OF LOUISIANA AT LAFAYETTE INTERCOLLEGIATE ATHLETICS PROGRAM

9. We obtained a list of outside organizations (Schedule 1) and written representation from management of the university that these were the only outside organizations created for or in behalf of the athletic department.

The following organizations were noted during test work and added to the schedule:

Athletic Network Fund
Public Relations Athletic Promotions
Donald & Cindy Michel Fund

The prior year beginning balance of \$2,033,996 for the University of Louisiana at Lafayette Foundation, Inc., was increased by \$2,673 to reflect an account within the Foundation that was not presented in the prior year.

10. For all outside organizations that had an independent audit, we obtained the independent auditor's reports to identify any reportable conditions relating to the outside organizations' internal control and made inquiries of management to document any corrective action taken in response to the reportable conditions.

The financial statements of the University of Louisiana at Lafayette Foundation, Inc., were audited by an independent certified public accounting firm for the year ended June 30, 2003. The audit report dated September 9, 2003, included no reportable conditions relating to the outside organization's internal control.

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11. We obtained statements of cash receipts and disbursements (Schedule 1) from representatives of the outside organizations and agreed this to the organization's accounting records.

The outside organization's records did not include the Public Relations Athletic Promotions account.

12. We compared the cash disbursements made by outside organizations for or in behalf of the athletic department to the revenues reported on the university's Statement of Revenues and Expenditures (Statement A) and identified any reconciling items.

There were no reconciling items other than accruals.

13. We compared direct payments of outside organizations to the university with the revenues reported on the university's Statement of Revenues and Expenditures (Statement A) and identified any reconciling items.

There were no reconciling items other than accruals.

We were not engaged to, and did not, perform an audit, the objective of which would be the expression of an opinion on the Statement of Revenues and Expenditures of the University of Louisiana at Lafayette Athletic Department. Accordingly, we do not express such an opinion. Also, we express no opinion on the University of Louisiana at Lafayette's internal control over financial reporting or any part thereof. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management of the University of Louisiana at Lafayette and is not intended to be and should not be used by anyone other than management of the university. Under Louisiana Revised Statute 24:513, this report is a public document and it has been distributed to appropriate public officials.

Respectfully submitted,



Grover C. Austin, CPA
First Assistant Legislative Auditor

BG:ES:PEP:ss

[ULLNCAA03]

UNAUDITED

Statement A

**ATHLETIC DEPARTMENT
UNIVERSITY OF LOUISIANA AT LAFAYETTE
UNIVERSITY OF LOUISIANA SYSTEM
STATE OF LOUISIANA**

**Statement of Revenues and Expenditures
For the Year Ended June 30, 2003**

	CURRENT FUNDS		
	(PORTION OF)		
	UNRESTRICTED -	RESTRICTED -	TOTAL
	AUXILIARY	ATHLETIC	(MEMORANDUM
	ENTERPRISE	DEVELOPMENT	ONLY)
	FUND	FUND	
REVENUES			
General Fund transfer	\$2,375,000		\$2,375,000
Gate receipts	889,904		889,904
Guarantees	1,579,343		1,579,343
Program sales	8,341		8,341
Concessions	80,082		80,082
Outside funds (booster clubs, etc.)	614,239		614,239
In-kind contributions		\$298,642	298,642
Rental of facilities	77,850		77,850
Other	1,252,871		1,252,871
Total revenues	<u>6,877,630</u>	<u>298,642</u>	<u>7,176,272</u>
EXPENDITURES			
Personal services:			
Coaches' and administrative salaries	2,061,201		2,061,201
Other salaries	88,057		88,057
Fringe benefits	419,432		419,432
Travel	1,007,107	3,482	1,010,589
Operating services	464,409	109,227	573,636
Supplies	425,982	115,994	541,976
Professional services	330,698	58,439	389,137
Guarantees	396,492		396,492
Scholarships	1,064,244		1,064,244
Other charges	214,965		214,965
Equipment	4,945	11,500	16,445
Total expenditures	<u>6,477,532</u>	<u>298,642</u>	<u>6,776,174</u>
EXCESS OF REVENUES OVER			
EXPENDITURES	<u>\$400,098</u>	<u>NONE</u>	<u>\$400,098</u>

UNAUDITED

Schedule 1

**ATHLETIC DEPARTMENT
UNIVERSITY OF LOUISIANA AT LAFAYETTE
UNIVERSITY OF LOUISIANA SYSTEM
STATE OF LOUISIANA**

**Schedule of Cash Receipts and Disbursements of
Outside Organizations Made for or in Behalf of
the University of Louisiana at Lafayette
Intercollegiate Athletics Program
For the Year Ended June 30, 2003**

University of Louisiana at Lafayette Foundation, Inc.	BEGINNING BALANCE JULY 1, 2002	RECEIPTS	PAYMENTS			ENDING BALANCE JUNE 30, 2003
			CONTRIBUTIONS TO ATHLETIC DEPARTMENT	CONTRIBUTIONS FOR ATHLETIC DEPARTMENT	OTHER	
Restricted funds:						
Ragin' Cajun Track Scholarship Fund	\$420					\$420
Ragin' Cajun Club - General Athletics Fund	12,814	\$14,773	\$22,675			4,912
Ragin' Cajun Club - General Athletics Promo		2,500		\$525		1,975
Ragin' Cajun Club - Football	1,548	27,014	1,548	11,020		15,994
Ragin' Cajun Club - Football Scholarship	16,000		16,000			
UL Lafayette Endowed Football		16,347			\$715	15,632
Ragin' Cajun Club - Football Recruiting Fund		40,639				40,639
Ragin' Cajun Club - Football Clinic Holding		200				200
Ragin' Cajun Club - Basketball	1,677	13,130		2,416		12,391
Ragin' Cajun Club - Basketball Banquet Fund	567	9,310		6,944		2,933
UL Lafayette Endowed Basketball		345			16	329
Ragin' Cajun Club - Track	46,899	22,085	46,899	825		21,260
UL Lafayette Endowed Men's Track		616			20	596
Ragin' Cajun Club - Baseball	120,448	317,422	121,738	24,632		291,500
UL Lafayette Endowed Baseball		547			18	529
Ragin' Cajun Club - Tennis	62,576	61,349	35,255	5,422		83,248
Ragin' Cajun Club - Golf	50,984	67,705	34,331			84,358
Ragin' Cajun Club - Weight Room	4	2,924				2,928
Ragin' Cajun Club - Training Room	1,004	2,150	1,004			2,150
Ragin' Cajun Club - Sports Information	1	16,018		3,898		12,121
Ragin' Cajun Club 2001	600	3,000	3,600			
Ragin' Cajun Club 2002		186,850	170,424	16,426		
Ragin' Cajun Club - Women's Basketball	1,377	1,510	1,377	92		1,418
Ragin' Cajun Club - Women's Tennis	4,041	69	4,024			86
Ragin' Cajun Club - Women's Volleyball	365	200		144		421
Ragin' Cajun Club - Women's Softball	76,886	65,509	77,900	2,490		62,005
UL Lafayette Endowed Softball		102			3	99
Ragin' Cajun Club - Women's Track	143	200	143			200
UL Lafayette Endowed Women's Track		2,642			44	2,598
Ragin' Cajun Club - Women's Soccer	4,549	8,168	2,849	3,134		6,734
Ragin' Cajun Club - Athletic Equipment Room	10,519	546	297	888		9,880
Athletics:						
UL Athletic Raffle	27,028	10	18,416			8,622
Acadiana Ambulance Service Track	31		31			
American Legion Baseball - Heymann	1,000	500				1,500
American Legion Baseball - Delhomme	1,000	500				1,500
UL Baseball Capital Campaign	2,192					2,192
Baseball/Park Project Fund	50,101	27,069				77,170
Sports Enhancement Fund	21,973	6	20,000	66		1,913
Promotions	1,550		1,550			
CFA/Hitachi Promise of Tomorrow	44		44			
Athletic Department Building		45,600				45,600
Special Account	53,467	10,132	50,087	5,900	2,924	4,688
92 Plymouth Voyager	528	6,299		6,024		803
Athletic Network Fund		4,200		3,609		591
Donna Parker Briggs Scholarship	857	6				863
Industrial Helicopters Track	13		13			

(Continued)

**ATHLETIC DEPARTMENT
UNIVERSITY OF LOUISIANA AT LAFAYETTE
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STATE OF LOUISIANA**

**Schedule of Cash Receipts and Disbursements of
Outside Organizations Made for or in Behalf of
the University of Louisiana at Lafayette
Intercollegiate Athletics Program, 2003**

University of Louisiana at Lafayette Foundation, Inc.	BEGINNING BALANCE JULY 1, 2002	RECEIPTS	PAYMENTS			ENDING BALANCE JUNE 30, 2003
			CONTRIBUTIONS TO ATHLETIC DEPARTMENT	CONTRIBUTIONS FOR ATHLETIC DEPARTMENT	OTHER	
Athletics: (Cont.)						
Louisiana Classics Fund	\$35,101	\$75,891	\$34,871	\$12,620		\$63,501
Bill "Blackjack" Landry Memorial	3,937	66				4,003
Public Relations Athletic Promotions	2,673	72,425	9,000	25,943	\$25,749	14,406
Ragin Cajun Spirit Award	4,315	24		500		3,839
Kendall Regis Memorial Scholarship	6,356					6,356
Dutch Reinhart Scholarship	1,959	19				1,978
Iberia Bank Athletic Fund	70,335	76,706	70,500			76,541
Charles Lancon Memorial Track Fund	6,293	2,025				8,318
LEDA/Chamber Athletic Promotion		2,724		2,724		
Lesley A. Zeller Memorial Fund	6,421	24				6,445
Endowment funds:						
Edward Abdalla III Memorial	10,360	382			685	10,057
Acadia Scrap & Salvage Athletic Endowment	2,562	2,609			160	5,011
Dr. John B. Aycock, Sr.	5,868	216			467	5,617
Nolan J. Badeaux Scholarship	5,244	193			417	5,020
Bill Bass Memorial Golf Scholarship	32,697	2,289			2,615	32,371
Freddy Buford Memorial	6,268	231			465	6,034
Frank Joseph Culotta, Jr. MD	77,825	425	58,405			19,845
Raymond Didier Memorial	16,021	591			1,277	15,335
Jim & Charlotte Doyle Athletic	103,544	3,817			6,797	100,564
Wayne & Connie Elmore Memorial	103,544	3,817			6,797	100,564
J. Y. Foreman Fund	28,112	1,037			2,238	26,911
Yvette Girouard Scholarship	1,740	64			192	1,612
Lionel Hebert Memorial Golf Fund	7,791	96				7,887
Bob Henderson Memorial	5,147	2,766			441	7,472
Herbert Heymann Fund	33,979	1,253			2,707	32,525
LBA Savings Bank Athletic	12,848	10,735			1,194	22,389
Lulu Burton Hilliard Women	10,389	383			715	10,057
Brian Jourdan Memorial	23,722	874			2,618	21,978
Rudolph Lotief Lady Cajun Softball	11,861	437			737	11,561
Buddy Marine Fund	174,815	6,167	8,000		10,881	162,101
Donald & Cindy Michel Fund		10,094			10	10,084
William H. Michot Fund	3,559	131			283	3,407
Brian Mitchel Foundation	10,269	2,947			739	12,477
Catherine Moore Memorial - Athletics	32,512	1,199			2,588	31,123
Tigue Moore Baseball Scholarship	160,009	5,899			12,919	152,989
Laura Langlinais and Thomas Pears Fund	63,399	2,337			5,055	60,681
Jim Picard Memorial Golf Fund	77,907	2,872			6,203	74,576
Ragin Cajun Athletic Endowment	32,606	14,252			18,493	28,365
C. B. "Beans" Roy Baseball Scholarship	16,081	593			1,280	15,394
Howard O. Roy Scholarship	16,721	616			1,331	16,006
Herbert E. Schilling, Sr.	16,060	592			1,278	15,374
Digger-Segura Golf Scholarship	53,000	1,954			4,220	50,734
Spencer Todd Memorial Tennis	38,293	1,412			3,044	36,661
Trahan and Falcon Football Endowment	10,073	371			626	9,818
UL Athletic Scholarship	121,247	4,262	6,000		7,224	112,285
Total	\$2,036,669	\$1,296,009	\$816,981	\$136,242	\$136,185	\$2,243,270

(Concluded)